

18 October 2011

The Honorable Ron Wyden  
Subcommittee on International  
Trade, Customs, and Global  
Competitiveness  
Committee on Finance  
United States Senate  
Washington, D.C. 20510

The Honorable John Thune  
Subcommittee on International Trade,  
Customs, and Global  
Competitiveness  
Committee on Finance  
United States Senate  
Washington, D.C. 20510

The Honorable Kevin Brady  
Subcommittee on Trade  
Committee on Ways and Means  
United States House of Representatives  
Washington, D.C. 20515

The Honorable Jim McDermott  
Subcommittee on Trade  
Committee on Ways and Means  
United States House of Representatives  
Washington, D.C. 20515

Dear Chairman Wyden, Chairman Brady, Senator Thune and Congressman McDermott:

We are former U.S. Ambassadors to the Philippines who served under both Republican and Democratic Presidents. We are writing today to solicit your support for the SAVE our Industries Act (S 1244 and HR 2387) currently pending in Congress.

The proposition of the SAVE Act is that if the Philippines imports US fabric then makes them into garments, these garments can enter the U.S. market duty free. A second provision would allow a limited number of garment categories that use fabrics from a third country to enter the U.S. duty free when such fabrics are not made in the US.

The bill builds on the synergy of the economies of the United States and the Philippines. The U.S. still has an important textile manufacturing sector, but no longer produces large quantities of finished garments. The Philippines on the other hand, is very good at sewing finished garments but does not have a significant textile sector.

Your support for the SAVE Act will 1) preserve and create jobs in the textile manufacturing industry by opening new markets for US textiles in the Philippines and the 600 million strong ASEAN community; and 2) maintain an important sourcing option in Asia for US brands by allowing the Philippines to compete with China in a post-quota environment.

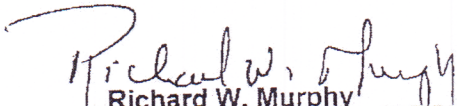
It is estimated that the bill can create some 2,300 jobs in the US textile industry, and exports of US textiles to the Philippines will reach US\$500 million (from the current \$10 million annually) as early as the third or fifth year of implementation of this Act.

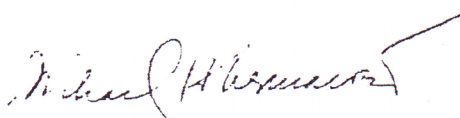
For the Philippines, tens of thousands of jobs will be returned, as it recovers the market share of US apparel that it has lost to China following the end of the quota system.


We also wish to underscore the fact that despite having been a former US colony and a close US treaty ally, we have not had a major trade initiative with the Philippines in four decades, although the United States maintains preferential trade regimes for other former Asian-Pacific dependencies like the Marshall Islands, the Federated States of Micronesia and Palau.

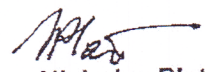
The US-Philippines economic relations is among the most favorable and balanced US bilateral relationships in the Asia Pacific region, and represents the kind of relations we would like to encourage and build on.

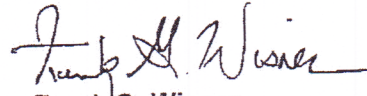
Sincerely yours,

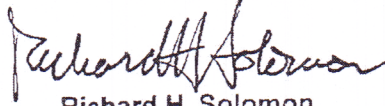
  
**Richard W. Murphy**  
US Ambassador to the Philippines, 1978-1981

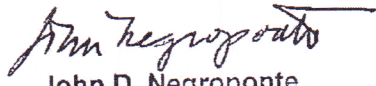
  
**Michael Armacost**  
US Ambassador to the Philippines, 1982-1984

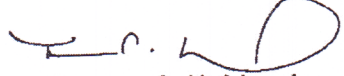
  
**Stephen W. Bosworth**  
US Ambassador to the Philippines, 1984-1987

  
**Nicholas Platt**  
US Ambassador to the Philippines, 1987-1991

  
**Frank G. Wisner**  
US Ambassador to the Philippines, 1991-1992

  
**Richard H. Solomon**  
US Ambassador to the Philippines, 1992-1993

  
**John D. Negroponte**  
US Ambassador to the Philippines, 1993-1996

  
**Thomas C. Hubbard**  
US Ambassador to the Philippines, 1996-2000